

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Empower families – the bill requires that 51 percent of the Medical Care Advisory Committee membership be made up of current or former Medicaid recipients, the parents or guardians, or Medicaid advocates, including representatives of special needs populations. As a result, individuals affected by the Medicaid program are provided an “active voice” in reviewing Medicaid-related topics and issues.

B. EFFECT OF PROPOSED CHANGES:

House Bill 1087 creates the Medical Care Advisory Committee within the Agency for Health Care Administration and provides that the purpose of the committee is to advise the agency about the Florida Medicaid program. The bill establishes the committee’s composition, member terms, chair and vice chair elections, and duties and responsibilities. The effect of this bill is to codify this advisory committee in statute and expand the federal law membership requirement in requiring at least 51 percent of the membership be made up of current or former Medicaid recipients, the parents or guardians, or Medicaid advocates, including representatives of special needs populations.

Present Situation

Federal regulations require that states establish a medical care advisory committee to advise the Medicaid agency director about health and medical care services related to the Medicaid Program.¹ In accordance with federal regulations, the agency established a Medical Care Advisory Committee in the late 1990s and continued into early 2000. There were 13 members of the committee, including providers, advocates, and a recipient. By the January 2000 meeting, member interests and reduced member attendance was reflected wherein 2 of 13 members attended. The agency disbanded the advisory committee in 2001, and attempted (unsuccessfully) to re-implement the committee in 2003.²

Although the Medical Care Advisory Committee is no longer active, the agency does have an active Managed Care Advisory Committee. The committee contains some of the members of the former Medical Care Advisory Committee and fulfills the federal regulations in 42 CFR 438, Managed Care Section 438.104, Marketing Activities, regarding approval of marketing materials.

C. SECTION DIRECTORY:

Section 1. Creates s. 409.91194, F. S.; relating to the Medical Care Advisory Committee; establishing committee membership, terms, purpose and reporting requirements.

Section 2. Provides a July 1, 2007 effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

¹ See 42 CFR 431, .12, Medical Care Advisory Committee

² Information provided by Agency for Health Care Administration staff, March 23, 2007

2. Expenditures:

The only fiscal impact will be for quarterly travel expenses and per diem for out-of-town committee members. Because there is no basis for determining where the members would be traveling from or how many there will be, the impact is negligible.

FISCAL IMPACT ON AHCA/FUNDS:

				<u>Amount</u>	<u>Amount</u>
				<u>Year 1</u>	<u>Year 2</u>
				<u>FY 07-08</u>	<u>FY 08-09</u>
<i>1. Non-Recurring Impact:</i>					
Revenues:					
Total Non-Recurring Revenues				\$0	\$0
Expenditures:					
Total Non-Recurring Expenditures				\$0	\$0
<i>2. Recurring Impact:</i>					
Expenses					
Additional Travel Expenses	1.00	@	\$15,000	\$15,000	\$15,000
				\$0	\$0
Total Expenses				\$15,000	\$15,000
Total Recurring Expenditures				<u>\$15,000</u>	<u>\$15,000</u>
<i>3. Long Run Effects Other Than Normal Growth:</i>					
<i>4. Total Revenues and Expenditures:</i>					
Sub-Total Non-Recurring Revenues				\$0	\$0
Sub-Total Recurring Revenues					
Total Revenues				\$0	\$0
Sub-Total Non-Recurring Expenditures				\$0	\$0
Sub-Total Recurring Expenditures				\$15,000	\$15,000
Total Expenditures				\$15,000	\$15,000
Difference	(\$15,000)		(\$15,000)		
(Total Revenues minus Total Expenditures)					
<i>5. Funding of Expenditures:</i>					
General Revenue Fund (1000)	50%			\$7,500	\$7,500
Administrative Trust Fund (2021)	50%			\$7,500	\$7,500
Total	100%			\$15,000	\$15,000

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or take action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenues.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

This legislation is necessary because without this bill it is up to the discretion of AHCA to implement the advisory committee. There is no repercussion if AHCA does not appoint members to the committee and consumers have no voice or influence as to policy development or implementation.

Although there have been issues in the past with member participation, with this committee, it is our thoughts and based on feedback from several organizations there should be no problem with generating interest. Forty-three percent of the governmental budget this year is allocated to Medicaid. This advisory council will be real citizens who can help guide policy and ensure that Medicaid runs as it was designed to and make sure we are spending the dollars on the right program.

It is a new day and with all changes being made to Medicaid, grassroots and advocacy organizations have identified a number of consumers interested in what is happening with the Medicaid program and having the opportunity to serve as a voice for the 2.3 million Floridians on the program.

Again these members are appointed the current managed care committee members are not. There is no requirement that the managed care committee be made up of former or current Medicaid recipients. The managed care committee serves a very different purpose and only reviews the managed care aspect of the program. The advisory council would have a broader scope.

Other states have very active and effective MACAs with excellent consumer participation. We could encourage AHCA to consult with state officials of those states to provide tips on how to make the committee successful. A state law is needed to reinvigorate Florida's commitment to the MCAC, set some specific parameters for its activities, and make it accountable to the Legislature.

We as legislatures owe it to the success of this program to ensure this law is passed.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On March 27, 2007, the Health Innovation Committee took up HB1087 and discussed one amendment. The amendment:

- Revises the appointment process to provide that appointments to the Medical Care Advisory Committee will be made by the Governor, the Speaker of the House of Representatives, and the President of the Senate. The original bill directed the Secretary for Health Care Administration to make all appointments.

The committee reported the bill unfavorable by a 4-4 tie vote.

Immediately following, on March 27, 2007, the Healthcare Council adopted a motion³ by a majority vote to take HB 1087 from the table.

³ See Rule 7.19, Bill reported Unfavorably by a Committee within a Council.